GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2009
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Stalled Power Projects
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Will the Minister of POWER be pleased to state:

(a) the capacity addition so far to the electricity supply during the 12th Plan period as a percentage of the proposed addition;

(b) the details of the hydroelectric power projects which are stalled and investments which have been held up due to these projects, State/UT-wise;

(c) the impact of the stalled power projects on the Government''s plan to ensure 24X7 electricity supply across the country and the time period within which this could be achieved; and

(d) the steps being taken by the Government to rejuvenate the hydropower sector in the country?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL AND NEW & RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a) : A generation capacity addition target of 88,537 MW excluding 30,000 MW of Renewable Energy Sources (RES), was fixed for 12th Five Year Plan. During first four years of the 12th Plan, i.e. during 2012-13 to 2015-16, a capacity of 84,990.7 MW has been achieved from Conventional Energy Sources, which is 95.99% of the target fixed for the entire Plan period.

(b) : Details of stalled hydroelectric power projects and investments therein are given at Annex.

(c) : Ministry of Power have taken a joint initiative with State Governments for preparation of State specific documents for providing 24X7 Power For All. In these documents, an assessment of energy required to provide 24X7 Power For All for connected and unconnected consumers, adequacy of power to the State from various generating sources, inter-state transmission system, intra-state transmission system and distribution to ensure 24X7 power supply has been made. As more than 95% of the capacity addition target for the 12th Five Year Plan has already been achieved during first four years of the plan, therefore, the stalled hydro projects, which constitute only 4341 MW of the generation capacity, are not expected to impact the Government's plan to ensure 24X7 electricity supply across the country in a significant way.

(d) : The major steps taken by the Government to rejuvenate the hydropower sector in the country are as under:-

i) National Electricity Policy, 2005 placed maximum emphasis on full development of the feasible hydro potential in the country.

ii) Hydro Power Policy- 2008 , inter-alia , consists of the following measures:-

? Transparent selection criteria for awarding sites to private developers.
? Enables developer to recover his additional costs through merchant sale of upto a maximum of 40% of the saleable energy. 5% reduction for a delay of every six months. Balance long term Power Purchase Agreements (PPAs).
? For 10 years from the Commercial Operation Date (COD), developer to provide 100 units of electricity per month to each Project Affected Family, in cash or kind or a combination of both.
? Additional 1% free power from the project (over and above 12% free power earmarked for the host State) for a Local Area Development Fund, as a regular revenue stream for welfare schemes, creation of additional infrastructure and common facilities.
? The State Governments would also contribute a matching 1% from their share of 12% free power.

iii) National Rehabilitation & Resettlement Policy 2007 was notified to address the need to provide succor to the Project Affected Families (PAFs) and the Administration for Resettlement & Rehabilitation to enable timely completion of project with a sense of definiteness as regards costs and adequate attention to the needs of the displaced persons.

iv) Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 has been notified by the Govt. of India on 27.09.2013 which have more participation of local people in terms of Land acquisition and Rehabilitation & Resettlement.

v) The Amendments in Tariff Policy have been notified on 28.01.2016. One of the main objectives of the Policy is to promote Hydroelectric Power generation including Pumped Storage Projects (PSP) to provide adequate peaking reserves, reliable grid

operation and integration of variable Renewable Energy Sources. The policy consists of the following provisions to boost the Hydroelectric Power sector:

? Hydropower excluded from Renewable Purchase Obligation (RPO) (8% of the total consumption excluding Hydro power).

? Hydro projects through long term PPAs are exempted from competitive bidding till August, 2022.

? Enabling provision for suitable regulatory framework incentivizing Hydroelectric Projects for using long term financial instruments - in order to reduce tariff burden in the initial years.

? Developer shall have the option of charging lower rate of depreciation vis-Ã -vis the ceiling determined by Central Electricity Regulatory Commission (CERC).
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